

SUCCESS in TEXAS



OUTSTANDING
REGIONAL
PROJECT
2025

Employing Peer Advisory Groups to Implement New Business Risk Management Strategies

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"It's pretty hard to address financial risk not knowing what your finances look like for your specific enterprises, and this peer group has been the vessel for myself and others to address those financial risks."

-Participant

SITUATION

The project Employing Peer Advisory Groups to Implement New Business Risk Management Strategies brought together ranchers from North Texas and Oklahoma to address production risks and improve financial, economic, and organizational aspects of their businesses. A key measure of success is that the group continues to thrive beyond the grant period, now entering its third year and inspiring two additional groups in the region.

Ranchers often struggle to implement new ideas, technologies, and lessons from conferences. Peer Advisory Groups provide a structured way to navigate these challenges by fostering shared learning and decision-making. This group focused on the economics of grazing-based beef cattle operations, cost analysis, benchmarking, management skills, interpersonal relationships, and overall business strategy.

IMPACT

Over the course of the project, 359 participants from two states met monthly, leading to tangible benefits such as reduced production risks, lower costs, improved grazing efficiency, and increased profits. The group also supported members through critical decisions, including succession planning, transition management, and improving family relationships.

Following the Texas Panhandle wildfires, which impacted several members, the group provided vital financial and emotional support. One member expressed gratitude during Mental Health Awareness Month, saying, "This is one of the reasons I'm thankful for you all." Members also traveled together to explore operations and gain fresh business insights.

Final evaluations highlighted the group's most valued aspects, including economic and production analysis, grazing management, marketing strategies, decision-making support during droughts, benchmarking, and leveraging diverse perspectives. A second-year evaluation showed:

- New grazing practices: 4.9/5 implementation rate, with a projected \$11.4 per acre economic impact, totaling \$771,550 in the first year.
- Financial risk management: 36% improvement (4.7/5).
- Human risk (transition planning & family relationships): 52% improvement (4.1/5).
- Production risk management: 36% improvement (4.5/5).

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A RANCHER'S STORY

A young rancher, new to their 120-year-old family operation, struggled to balance tradition with modern financial realities. The family operated under a "dollars in, dollars out" philosophy, which failed to account for market volatility and rising costs. After joining the peer group, they participated in a Standardized Performance Analysis (SPA), gaining financial clarity for the first time. The insights helped the family identify profitable enterprises and areas needing improvement, leading to informed decisions that secured the ranch's sustainability for future generations. This story exemplifies the power of peer groups in helping ranchers mitigate risks, improve management, and ensure a stronger future for their industry.

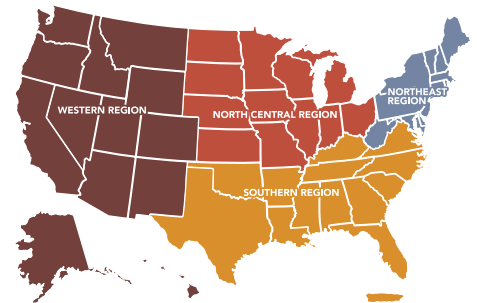
SUCCESS in EVERY STATE

Extension Risk Management Education

Extension Risk Management Education is delivered through four regional centers that provide grant funding and leadership within their regions.

Projects are producer-focused, outcomes-based and encourage public-private partnerships. Funded projects must identify targeted outcomes that will help producers manage risk and then describe how the project will measure those outcomes.

Extension Risk Management Education has funded innovative programs that have generated tangible outcomes for producers in every state. Commitment to funding outcomes, providing transparent accountability, and encouraging collaboration allow you to view the accomplishments of all funded projects on our website: ExtensionRME.org



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